

June 20, 2011

Jefferson County, Alabama  
Attn: President of County Commission  
County Courthouse  
716 Richard Arrington Boulevard  
Birmingham, Alabama 35203

Re: Notice of Claims Pursuant to Alabama Code § 6-5-20

Ladies and Gentlemen:

The Receiver is aware that, on February 16, 2011, Jefferson County, Alabama (the "County") received \$25,033,692 from a Fair Fund distribution (the "Fair Fund Payment") arising from a settlement between J.P. Morgan Securities Inc., or its affiliates (collectively "J.P. Morgan"), pursuant to the November 4, 2009, settlement between the Securities and Exchange Commission (the "SEC") and J.P. Morgan.<sup>1</sup> The settlement resolved the SEC's claims that J.P. Morgan violated securities laws when it acted as the underwriter of the 2002-C Sewer Warrants, the 2003-B Sewer Warrants, the 2003-C Sewer Warrants and as the swap provider on three Qualified Swaps. As part of the settlement, J.P. Morgan previously paid the County \$50 million (the "J.P. Morgan Payment").

Formal presentment pursuant to Alabama Code 6-5-20 of claims that are covered by the Receiver Order is not required. In particular, claims for the enforcement of the Parity Securities are expressly exempted from Alabama Code § 6-5-20. Nevertheless, The Bank of New York Mellon and the Receiver, out of an abundance of caution, previously made presentment of claims with respect to the First Payment on November 4 and 9, 2011, respectively.

In the unlikely event that the County may ultimately contend that the enforcement of the rights and remedies under the Receiver Order are subject to the provisions of Alabama Code 6-5-20 with respect to the Fair Fund Distribution, the Receiver hereby submits this letter as presentment of said claims on behalf of the System and the Receiver.

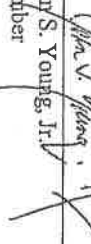
<sup>1</sup> On November 4, 2009, the SEC issued its Order Instituting Administrative Cease-and-Desist Proceedings, pursuant to § 8A of the Securities Act of 1933 and §§ 15(b) and 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "SEC Order") in the matter styled *In the Matter of J.P. Morgan Securities Inc.*, Administrative Proceeding File No. 3-13673.

<sup>2</sup> Unless otherwise defined herein, all capitalized terms shall have the definition given them in the order appointing the Receiver entered on September 20, 2010.

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We look forward to continuing to work in a cooperative manner with the County regarding this and other issues related to the System.

John S. Young, Jr. LLC, in its capacity as the  
lawfully-appointed Receiver of the Sewer  
System of Jefferson County, Alabama


By:   
John S. Young, Jr.  
Its: Member

cc: Commissioner Jimmie Stephens  
Commissioner George Bowman  
Commissioner Sandra Little Brown  
Commissioner Joe Knight  
Mr. Jeff Sewell


VERIFICATION BY CLAIMANT JOHN S. YOUNG, JR. LLC, IN ITS CAPACITY AS  
RECEIVER

STATE OF Alabama )  
 )  
COUNTY OF Jefferson )

John S. Young, Jr., having been duly sworn, deposes and says that he is an authorized representative of Claimant John S. Young, Jr. LLC, in its capacity as Receiver, that he is duly authorized by John S. Young, Jr. LLC, in its capacity as Receiver to make this verification on its behalf, that he has read the foregoing Notice of Claims Pursuant to Alabama Code § 6-5-20 to Jefferson County, Alabama, and that he believes the contents of the foregoing to be true to the best of his knowledge, information and belief based on his review of the information that is contained in the records of and that is available to John S. Young, Jr. LLC, in its capacity as Receiver.

  
\_\_\_\_\_  
John S. Young, Jr.

Sworn to before me  
this 20 day of June, 2011.

  
\_\_\_\_\_  
Notary Public  
MY COMMISSION EXPIRES NOVEMBER 14, 2012